and upwards, flying the British flag, with a gross tonnage totalling 16,591,032 tons, there were 1,500 with a total gross tonnage of 7.082.099 tons not requisitioned by the Admiralty for war services, nor allocated for special purposes, such as supplying the Allies or bringing wheat to this country. The system was wasteful as far as the needs of the nation were concerned. It was grossly unfair as between the owners of requisitioned and unrequisitioned tonnage. The Ministry of Shipping had to see that not only were the requisitioned vessels being worked as efficiently as possible, but that all tonnage not as yet requisitioned was controlled and directed to the most serviceable purposes. To this end the Shipping Controller was given general powers of control over all British shipping. He proceeded to press for the release by the Admiralty of a proportion of the tonnage held by them, which on a careful inquiry he was convinced was being wastefully used. He insisted that 17½ Per cent, of the tonnage so requisitioned should be released for carriage of goods, in particular of coal for the Allies, In this demand he received the support of the Cabinet. How promptly the new Controller acted will be seen from the fact that on 22nd December, 1916, it was reported to the War Cabinet that all but 20,000 tons of this percentage had then been released.

Problem of controlling mercantile tonnage

The next important step in this connection was taken on gth February, 1917, when the War Cabinet considered a memorandum prepared by *Madayasks* the Shipping Controller making a series *for extended* *powm* recommendations as to the powers he considered he should possess for the carrying out of his task. Perhaps the most important